

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re:

NATIONAL BROKERS OF AMERICA,

Debtor.

Chapter 7

Case No: 19-15488-pmm

**FIRST AND FINAL APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES OF GELLERT SEITZ BUSENKELL
& BROWN LLC AS SPECIAL COUNSEL TO THE CHAPTER 7 TRUSTEE**

Gellert Seitz Busenkell & Brown, LLC (“Applicant”), special counsel to the Trustee, Robert H. Holber, in accordance with Federal Rule of Bankruptcy Procedure 2016 and Local Bankruptcy Rule 2016-1, applies under 11 U.S.C. §§ 330 and 331 of the Bankruptcy Code for an award of compensation and reimbursement of actual, necessary expenses, and represents as follows:

Part A Preliminary Statement

1. Applicant is special litigation counsel to Robert H. Holber, the Chapter 7 Trustee (“Trustee”) of National Brokers of America (“Debtor”).
2. All services rendered and expenses incurred for which compensation or reimbursement is requested were performed or incurred for or on behalf of the Trustee.
3. The services described in this Application are actual, necessary services and the compensation requested for those services is reasonable.
4. The expenses described in this Application are actual, necessary expenses.
5. This application seeks compensation for Applicant’s services and reimbursement for associated expenses incurred in resolving a matter on behalf of the Trustee. The first is an

avoidance action with Alan Redmond and Bene Market, LLC (collectively, the “Defendants”) (the “Avoidance Action”), in which the Trustee settled with the Defendants prior to an adversary action being filed with the Bankruptcy Court.

6. Applicant negotiated a settlement in the Avoidance Action on behalf of the Trustee in the amount of \$200,000.00. The settlement was approved by the Bankruptcy Court by Order entered dated April 19, 2022.

7. The Defendants ultimately paid the Trustee the total sum of \$175,270.00.

Part B General Information

1. **Period** January 5, 2021 to February 26, 2025

Final Application X

Interim Application

Requested

| | |
|----------|-------------|
| Fees | \$57,839.10 |
| Expenses | \$12.03 |
| Total | \$57,851.13 |

2. **General Information**

- a. The case was filed on September 3, 2019.
- b. The application to approve Applicant’s employment was filed on December 10, 2020.
- c. Applicant’s employment was approved on January 4, 2021.
- d. The first date that Applicant rendered services in the case was December 10, 2020.
- e. Compensation requested is under 11 U.S.C. §§ 330 and 331.
- f. Fees awarded will be paid from the estate.

- g. This application is not for a period less than 120 days after the filing of the case or less than 120 days after the end of the period of the last application.

3. Prior Applications

None.

4. Attorneys Billing for Current Period

The following attorneys worked on the Avoidance Action during the current period: Amy D. Brown and Holly S. Miller.

5. Paralegals Billing for Current Period

The following paralegals worked on the Avoidance Action during the current period: Richard Bennett and Ashley P. Gollmann.

6. Billing Rates

Applicant agreed to represent the Trustee as special litigation counsel on a contingency fee basis in connection with the Actions. In the event of a recovery in the Avoidance Action, the Trustee agreed to pay the Applicant a “Result Fee” according to the following terms:

- Upon engagement, 33% of any gross Recoveries resulting in any part from the Applicant’s work.
- Upon the Applicant filing litigation and the litigation proceeding past motions to dismiss, 40% of gross Recoveries resulting in any part from the Applicant’s work.
- “Recoveries” means the total of all amounts received by settlement, arbitration award or judgment, including any award of attorneys’ fees. The Trustee’s share of the Recovery is the balance remaining after reimbursement of costs and expense and payment of the Result Fee.

Part C Billing Summary

1. Description of Services.

A. The Avoidance Action

Prior to filing the Avoidance Action, Applicant investigated the facts and legal issues underlying the action, including by reviewing the books and records of the Debtor, and researching potential causes of action the Trustee had against the defendants in the Avoidance Action and related legal issues regarding those claims. On or about March 16, 2021, the Trustee sent a demand letter to the Defendants seeking, inter alia, the avoidance and recovery of the value of Transfers on behalf of the Debtor's estate. After numerous months of negotiations and exchanging of informal discovery, and in an effort to avoid continued litigation that would be necessary to avoid the Transfer, the Parties reached an amicable resolution of their issues. In March, 2022, Applicant prepared and filed a motion for Bankruptcy Court approval of the settlement, which was approved by Order dated April 19, 2022. The settlement provided, among other things, that the Settling Defendants would pay the Trustee \$200,000.

2. Categories of Service.

All of Applicant's services in connection with the Avoidance Action involved litigation services, as set forth in the description of services provided above.

In light of the substantial amount of work performed by Applicant, Applicant seeks an award of 33% of the gross recoveries resulting from the settlement in the Avoidance Action. Accordingly, Applicant is entitled to \$57,839.10 in compensation for the Avoidance Action.

Part D Expense Summary

Applicant incurred the below expenses in connection with the Adversary Action for which it seeks reimbursement:

| Expense Description | Amount |
|------------------------------------|----------------|
| Photocopies (in-house) \$0.10/each | \$4.50 |
| Postage | \$2.53 |
| PACER charge | \$1.20 |
| Miscellaneous | \$3.80 |
| TOTAL | \$12.03 |

WHEREFORE, Applicant requests an award of \$57,839.10 in compensation and \$12.03 in reimbursement of actual, necessary expenses.

Dated: February 27, 2025

GELLERT SEITZ BUSENKELL & BROWN, LLC

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